



**AD HOC WORKING GROUP ON FURTHER COMMITMENTS
FOR ANNEX I PARTIES UNDER THE KYOTO PROTOCOL**

**Report of the Ad Hoc Working Group on Further Commitments
for Annex I Parties under the Kyoto Protocol
on the first part of its fourth session,
held at Vienna from 27 to 31 August 2007**

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I. Opening of the session

(Agenda item 1)

1. The first part of the fourth session of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG) was held at the Austria Center Vienna, Vienna, Austria, from 27 to 31 August 2007.
2. A welcoming ceremony preceded the formal opening of this session. Statements were made by Mr. Josef Pröll, Federal Minister for Agriculture, Forestry, Environment and Water Management of Austria; Ms. Maria Madalena Brito Neves, Minister of Agriculture and Environment of Cape Verde; Mr. Monyane Moleleki, Minister of Natural Resources of Lesotho; and Mr. Yvo de Boer, Executive Secretary of the UNFCCC secretariat.
3. The Chair of the AWG, Mr. Leon Charles (Grenada), opened the session and welcomed all Parties and observers. He also welcomed Ms. Outi Berghäll (Finland) as Vice-Chair of the AWG and Mr. Ephraim Mwepya Shitima (Zambia) as Rapporteur. Mr. Charles referred to the meeting in Vienna as critical for the international climate change process. He indicated that the outcomes of the meeting would send a strong signal on progress in implementing the work programme of the AWG and on the lead taken by Annex I Parties in reducing greenhouse gas emissions.

II. Organizational matters

(Agenda item 2)

A. Adoption of the agenda

(Agenda item 2 (a))

4. At its 1st meeting, on 27 August, the AWG considered a note by the Executive Secretary containing the provisional agenda and annotations (FCCC/KP/AWG/2007/3).
5. At the same meeting, the agenda was adopted as follows:
 1. Opening of the session.
 2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of the work of the session;
 - (c) Election of officers.
 3. Analysis of mitigation potentials and identification of ranges of emission reduction objectives of Annex I Parties.
 4. Review of work programme, methods of work and schedule of further sessions.
 5. Other matters.
 6. Report on the session.
6. At the 1st meeting, opening statements were made by representatives of seven Parties, including one speaking on behalf of the Group of 77 and China, one on behalf of the Umbrella Group, one on

behalf of the European Community and its member States,¹ one on behalf of the Alliance of Small Island States, one on behalf of the least developed countries and one on behalf of the Environmental Integrity Group.

B. Organization of the work of the session
(Agenda item 2 (b))

7. The AWG considered this sub-item at its 1st meeting.
8. The Chair proposed that the AWG focus its work during the first part of its fourth session on agenda item 3. He also proposed that the AWG consider sub-item 2 (c) and item 4 at the resumed fourth session of the AWG, to take place in Bali from 3 to 11 December 2007. The AWG agreed to proceed according to this proposal.

C. Election of officers
(Agenda item 2 (c))

9. The AWG agreed to consider this sub-item at its resumed fourth session.

III. Analysis of mitigation potentials and identification of ranges of emission reduction objectives of Annex I Parties
(Agenda item 3)

1. Proceedings

10. The AWG considered item 3 at its 1st meeting, on 27 August. It had before it documents FCCC/KP/AWG/2007/MISC.4 and Add.1 and FCCC/TP/2007/1. Statements were made by representatives of 22 Parties, including one on behalf of the European Community and its member States.² The Chair invited a representative of Climate Action Network International to make a statement on this item.

11. At its 1st meeting, the AWG agreed to consider this item further in a contact group. Also at this meeting, the Chair informed the AWG that the secretariat had organized a side event to discuss technical aspects of document FCCC/TP/2007/1.

12. At the 2nd meeting, the Chair reported on the contact group's consultations. The AWG considered and adopted conclusions³ proposed by the Chair.

2. Conclusions

13. Based on work carried out at its third session, the AWG continued work on the analysis of the mitigation potential and the identification of ranges of emission reduction objectives of Annex I Parties, in line with its work programme agreed at its second session (FCCC/KP/AWG/2006/4, para. 17).

14. The AWG noted with appreciation the information and data provided by some Parties in their submissions on the mitigation potential of policies, measures and technologies at their disposal (FCCC/KP/AWG/2007/MISC.4 and Add.1) and the information contained in document FCCC/TP/2007/1 prepared by the secretariat as requested by the AWG at its third session (FCCC/KP/AWG/2007/2, para. 23).

¹ The position reflected in this statement was supported by Albania, Bosnia and Herzegovina, Croatia, Serbia, The former Yugoslav Republic of Macedonia, and Ukraine.

² The position reflected in this statement was supported by Albania, Bosnia and Herzegovina, Croatia, Serbia, The former Yugoslav Republic of Macedonia, and Ukraine.

³ Adopted as document FCCC/KP/AWG/2007/L.4.

15. The AWG recalled⁴ that it should be guided by a shared vision of the challenge set by the ultimate objective of the Convention, based on the principles and relevant provisions of the Convention and the Kyoto Protocol.
16. The AWG noted that the mitigation potential of Annex I Parties is determined by national circumstances and evolves over time. It also noted that the specific factors and indicators relevant to the determination of the mitigation potential and to the identification of ranges of emission reduction objectives of Annex I Parties vary among these Parties.
17. The AWG acknowledged that understanding mitigation potential is a complex process and noted that further analysis on mitigation potential would help the AWG in completing its work. It also recognized the need for further progress in conducting its work programme. The AWG invited Annex I Parties to continue to work on the analysis of the mitigation potential of policies, measures and technologies at their disposal. The AWG agreed to consider relevant information from external bodies and forums, including those listed in document FCCC/KP/AWG/2007/MISC.2, including any work that may be undertaken on the issues identified in document FCCC/TP/2007/1, paragraph 92.
18. The AWG took note of information contained in the contribution of Working Group III to the Fourth Assessment Report (AR4) of the Intergovernmental Panel on Climate Change (IPCC). The AWG recognized that the contribution of Working Group III to the AR4 indicates that global emissions of greenhouse gases need to peak in the next 10 to 15 years and be reduced to very low levels, well below half of levels in 2000 by the middle of the twenty-first century in order to stabilize their concentrations in the atmosphere at the lowest levels assessed by the IPCC to date in its scenarios. Hence the urgency to address climate change.
19. The AWG noted the usefulness of the ranges referred to in the AR4. Recognizing the outcomes of the contribution of Working Group II to the AR4, on Impacts, Vulnerability and Adaptation, the AWG also noted that the lower the stabilization level achieved, the lower the consequent damages. The AWG recognized that the contribution of Working Group III to the AR4 indicates that achieving the lowest stabilization level assessed by the IPCC to date and its corresponding potential damage limitation would require Annex I Parties as a group to reduce emissions in a range of 25–40 per cent below 1990 levels by 2020, through means that may be available to Annex I Parties to reach the emission reduction targets. These ranges are drawn from box 13.7 in the report of Working Group III. Furthermore, these ranges would be significantly higher for Annex I Parties if they were a result of analysis assuming that emission reductions were to be undertaken exclusively by Annex I Parties. The AWG noted that the IPCC ranges do not take into account lifestyle changes which have the potential of increasing the reduction range. The AWG also recognized that achievement of these reduction objectives by Annex I Parties would make an important contribution to overall global efforts required to meet the ultimate objective of the Convention, as set out in its Article 2.
20. The AWG noted the concerns raised by small island developing States and some developing countries with regard to the lack of analysis of stabilization scenarios below 450 ppmv CO₂ eq., which corresponds to the lowest range outlined in paragraph 19 above, and in this context, noted the possibility for further scientific work in this regard.
21. In line with the iterative approach of its work programme, the AWG considered that the information referred to in paragraph 19 above provides useful initial parameters for the overall level of ambition of further emission reductions by Annex I Parties, and would be reviewed at future sessions in the light of information it would receive, including information referred to in paragraph 20 above.

⁴ FCCC/KP/AWG/2007/2, paragraph 19.

22. The AWG also noted that a greater mitigation potential is at the disposal of Annex I Parties through the wider use of flexibility mechanisms, taking fully into account sustainable development considerations.

23. The AWG acknowledged the importance of considering further information on indicative ranges of emission reductions by Annex I Parties, including quantified emission limitation or reduction commitments, for further commitments pursuant to Article 3, paragraph 9, of the Kyoto Protocol and in accordance with decision 1/CMP.1, through their domestic and international efforts. It agreed to consider this issue, including the timing of submissions by Parties, as part of its discussions on the development of a timetable at its resumed fourth session.

24. The AWG also acknowledged the importance of receiving information on the potential environmental, economic and social consequences, including spillover effects on all Parties, in particular developing country Parties, of available tools, policies, measures and methodologies available to Annex I Parties. To this end, the AWG invited Annex I Parties to include in their submissions due on 15 February 2008⁵ information on these issues.

25. The AWG invited Parties to submit to the secretariat by 9 November 2007 their views on the development of a timetable to guide the completion of its work to be compiled by the secretariat for consideration by the AWG at its resumed fourth session.

26. The AWG expressed its appreciation to the Government of Austria for hosting the first part of the fourth session of the AWG.

IV. Review of work programme, methods of work and schedule of further sessions

(Agenda item 4)

27. The AWG agreed to consider this item at its resumed fourth session.

V. Other matters

(Agenda item 5)

28. The AWG will consider this item at its resumed fourth session.

VI. Report on the session

(Agenda item 6)

29. At its 2nd meeting, the AWG considered and adopted the report on the first part of its fourth session (FCCC/KP/AWG/2007/L.3). At the same meeting, on a proposal by the Chair, the AWG authorized the Rapporteur to complete the report on the session, with the assistance of the secretariat and under the guidance of the Chair.

VII. Closure of the session

30. At the 2nd meeting, the Chair thanked the delegates for their contributions as well as the secretariat for its support. He provided a summary of the conclusions adopted and referred to them as a positive message from the meeting in Vienna. He thanked the Government of Austria for hosting the first part of the fourth session of the AWG, and the Government of Indonesia for its offer to host the resumed fourth session of the AWG.

⁵ FCCC/KP/AWG/2007/2, paragraph 24.

Annex

**Documents before the
Ad Hoc Working Group on Further Commitments for Annex I Parties
under the Kyoto Protocol on the first part of its fourth session**

Documents prepared for the session

FCCC/KP/AWG/2007/3	Provisional agenda and annotations. Note by the Executive Secretary
FCCC/KP/AWG/2007/MISC.3	Views on the timetable to guide the completion of work. Submissions from Parties
FCCC/KP/AWG/2007/MISC.4 and Add.1	Information and data on the mitigation potential of policies, measures and technologies. Submissions from Parties
FCCC/KP/AWG/2007/MISC.5	Views on the synthesis of information relevant to the determination of the mitigation potential and to the identification of possible ranges of emission reduction objectives of Annex I Parties. Submission from Japan
FCCC/TP/2007/1	Synthesis of information relevant to the determination of the mitigation potential and to the identification of possible ranges of emission reduction objectives of Annex I Parties. Technical paper
FCCC/KP/AWG/2007/L.3	Draft report of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol on the first part of its fourth session
FCCC/KP/AWG/2007/L.4	Analysis of mitigation potentials and identification of ranges of emission reduction objectives of Annex I Parties. Draft conclusions proposed by the Chair

Other documents before the session

FCCC/KP/AWG/2007/2	Report of the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol on its third session, held at Bonn from 14 to 18 May 2007
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